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Title: Need for expeditious development of LNG Terminal at Gangavaram port in Andhra Pradesh.

SHRI MUTHAMSETTI SRINIVASA RAO (AVANTHI) (ANAKAPALLI): I would like to raise the issue of development of LNG terminal at Gangavaram Port in Andhra Pradesh.

M/S Gangavaram Port Ltd. Proposed to construct and operate a 5 MMTPA LNG terminal with a provision to expand further to.10 MMTPA, with the help of M/s Petronet LNG Ltd. (PLL). The proposed LNG Terminal is to be designed, developed, financed, constructed, managed, operated and maintained by the Joint Venture Company, which will have equity contributions from Petronet LNG Ltd (76%), Gangavaram port Ltd. (8%) and other parties such as prospective LNG suppliers/buyers or any strategic investor. Petronet LNG Ltd. Will be the majority share holder and will have complete management control over the JV Company.

In this respect, Government of Andhra Pradesh have issued orders according approval to M/s. Gangavaram Port Ltd., for establishing a LNG Terminal at Gangavaram Port and to allow the grant of License rights under the concession agreement to the JVC. In the letter dated 20-09-2014 the MD, Petronet LNG Ltd was requested to send the details for creating connectivity form LNG Terminal to Kakinada Srikakulam Pipeline to the APGDC. He has been requested to expedite implementation of the project as agreed in three years period.

Vice President (Finance), Petronet LNG Ltd. had informed on 6-11-2014 that all statuary clearances form Government of India had been received and that they were in correspondence with APGDC for having pipeline connectivity of Kakinada to Srikakulam. Discussions were also held with other pipeline operators-RGTIL and GITL for connectivity with East-West pipeline and Mallavaram Bilwara pipeline.

I would request the Ministry of Petroleum to issue necessary instructions to the concerned for early commencement of the work relating to development of LNG terminal at Gangavaram Port in Andhra Pradesh as the said terminal will contribute immensely for the development of the region by providing low cost alternate fuel to the sectors like power, fertilizers etc., which in turn will result in substantial downstream investments in these sectors.